

#### Newsletter March, 2017

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### SIPO Revises the Patent Examination Guidelines, which Take Effects on April 1

On March 1, 2017, the State Intellectual Property Office of China (SIPO) has issued the Decision on Amending the Patent Examination Guidelines.

As a result, amendments in the following aspects shall come into force as of April 1, 2017:

- the eligibility of computer software and business method patents,
- the examination regarding supplement experimental data for chemistry inventions.
- the allowed amendments to claims during patent invalidation procedures,
- public accessibility to patent application documents, and
- the time limit for property preservation.

More details can be found at <a href="http://afdip.com/index.php?ac=article&at=read&did=2">http://afdip.com/index.php?ac=article&at=read&did=2</a>

## The 3rd Revision of China's Copyright Law Is in Sight

In the 13th Five-Year Plan on Copyright issued by the National Copyright
Administration of China (NCAC), challenges facing copyright protection environment,

copyright awareness of the public and copyright legalization were pointed out.

To help solving the problems, the NCAC will advance the 3rd revision of Copyright Law, when necessary, to establish copyright collective management organizations (CCMO) for performance, arts and other fields.

The 3rd revision will focus on the development of Regulations on Copyright Protection of Folklore and revision of Regulations for the Implementation of Copyright Law, Regulations on the Protection of the Right of Communication through Information Network and Regulations of Copyright Collective Management.

With regard to the optimization of copyright public management, a service platform focusing on national copyright registration is to be established under the approval of competent authorities. A single system of copyright registration, statistic and search is also taken into consideration. CCMOs are required to carry out business activities in line with law and resolve disputes. They are encouraged to establish cooperation platforms with industries concerned.

http://www.chinaipr.gov.cn/article/centralgovernment/2 01702/1902106.html



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### European Patent Office Notes Highest Increase in Patent Applications from China

The European Patent Office (EPO) published its 2016 Annual Report in early March, revealing China showed the highest growth in patent applications. The number of patent applications from China increased 24.8 percent in 2016. China's applications for the first time exceeded that of South Korea and ranked sixth out of the top 10 countries of origin.

In 2016, patent applications from China totaled 7,150, among which 51 percent of the applications were from the fields of digital communications, computer and telecommunications technologies.

Huawei was the highest ranking patent applicant for the third time, followed by Microsoft, Samsung, while ZTE, also a Chinese multinational telecom equipment company, ranked fifth.

In 2016, China registered strong growth in sectors of engines, turbines, transport and biotechnology.

http://english.sipo.gov.cn/news/iprspecial/201703/t2017 0309\_1308718.html

#### China's Trademark Application Amounts to 3.691 Million in 2016

Latest statistics from the State Administration for Industry and Commerce (SAIC) show that China handled 3.691 million trademark applications in 2016, remaining world's largest for 15 consecutive years.

Thanks to the implement of the reform for trademark registration, trademark registrations increased by 28.4% in 2016, compared with 26.9% in 2015.

As of the end of 2016, valid trademark registrations amounted to 12.376 million.

It is worth mentioning that 2016 witnessed fast growth of trademark pledge registrations. In 2016, China handled 1,410 trademark registrations (up 20%), helping the enterprises financing 64.99 billion yuan, up 90%.

http://english.sipo.gov.cn/news/iprspecial/201702/t2017 0222\_1308458.html

#### **China's Copyright Registrations Break 2 Million**

A total of 2.0077 million copyrights were registered in 2016, an increase of 22.33%, hitting a record new high, wherein 1.6 million of which were works, an increase of 18.63%, 400,000 of which were computer software, up 39.48%. With the 2.0077 million copyrights in 2016, the total number of copyright registrations now broke 2 million in China.

In the meantime, according to the statistics from Copyright Protection Center of China, in 2016, the number of pledge registration of copyrights reached 327, down 46%. The pledge registration of works saw a markedly decrease, with a total number of 64 in 2016, down 84.4%. That of software increased by 33.5% with a total number of 263.

http://english.sipo.gov.cn/news/iprspecial/201703/t2017 0301\_1308603.html



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### German Siemens Prevails in Trademark Dispute

In April, 2014, Xinchang-based Siemives
Household Electric Co., Ltd (hereinafter
referred to as Xinchang Siemives) was
founded in Jiangxi Province. The shareholder
Mr. Wu who controlled 80% of the shares,
applied for the registration of SIEMIVES
trademark in 2013 and registered the domain
name "siemives.com" in January, 2014. The
permissions of the trademark and domain
name were given to Xinchang Siemives by Mr.
Wu. There is also a Shaoxing-based Bangdai
Electric Co., Ltd (hereinafter referred to as
Shaoxing Bangdai) involved in the case
selling "SIEMIVES" range hood that Xinchang
Siemives produced.

In August 2015, it is reported that consumers in Taiyuan City, Shanxi Province mistook the range hood products produced by Xinchang Siemives Company as "Siemens" brand products produced by Germany-based Siemens. Afterwards, German Siemens Company took a lawsuit against Mr. Wu, Xinchang Siemives and Shaoxing Bangdai to Shaoxing Intermediate People's Court on the grounds of trade mark infringement and unfair competition, claiming economic losses and reasonable expenses totaling 2 million yuan.

The court of first-instance tried the case and ordered that Xinchang Siemives and Shaoxing Bangdai stop the involved trade mark infringement and unfair competition

behavior, and jointly pay 100,000 yuan to German Siemens to compensate for its economic losses and reasonable expenses incurred herein. As Siemens disagreed with the court judgement freeing Mr. Wu from being a joint infringer and the meager compensation amount, it appealed to Zhejiang Higher People's Court afterwards.

In December 2016, the court of secondinstance awarded that Xinchang Siemives and Shaoxing Bangdai stop the involved trademark infringement and unfair competition behavior; Xinchang Siemives should alter its company name and publish statement in the media to clear the negative effect; Mr. Wu should stop and cancel the involved website domain; Xinchang Siemives, Shaoxing Bangdai and Mr. Wu jointly pay 1 million yuan to German Siemens to compensate for its economic losses incurred herein. Meanwhile, German Siemens paid public notarial fee and travel expenses, thus the court also ordered that the above three defendants pay 70,000 yuan to German Siemens to compensate for its reasonable expenses.

http://english.sipo.gov.cn/news/ChinaIPNews/2017/2017 03/P020170308346359506919.pdf